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OMNIBUS TRADE BILL/Substitute Amendment, Cloture (2nd Attempt)

SUBJECT: African Growth and Opportunity Act...H.R. 434. Lott motion to close debate on the Roth/Moynihan substitute amendment No. 2325.

ACTION: CLOTURE MOTION AGREED TO, 74-23

SYNOPSIS: As introduced, H.R. 434, the African Growth and Opportunity Act, will expand trade with the 48 Sub-Saharan African (SSA) nations by making qualifying SSA nations eligible for enhanced benefits under the Generalized System of Preferences (GSP) program, by giving qualifying SSA nations duty-free and quota-free access to the United States for certain apparel products, by creating a Trade and Economic Cooperation Forum between the United States and SSA countries, and by directing the President to begin plans for implementing a United States-SSA free trade area.

The Roth/Moynihan substitute amendment would enact the Trade and Development Act. The substitute: would include provisions similar to the House provisions to expand trade with SSA countries; would reauthorize the expired GSP program, which grants the President the authority to provide duty-free treatment to imports of eligible articles from designated countries; would reauthorize the expired Trade Adjustment Assistance (TAA) programs, which provide assistance to workers adversely affected by import competition; and would enact the United States-Caribbean Basin Trade Enhancement Act, which would expand the Caribbean Basin Initiative (CBI) by providing additional tariff preferences on a number of products not previously covered.

On October 29, 1999, Senator Lott sent to the desk, for himself and others, a motion to close debate on the substitute amendment. NOTE: A three-fifths majority (60) vote of the Senate is required to invoke cloture.

Those favoring the motion to invoke cloture contended:

Argument 1:

Most of our Democratic colleagues were filibustering this bill because they wanted to attach nonrelevant amendments to it. We

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NOT VOTING (2) **YEAS (74)** NAYS (23) Republican **Democrats** Republicans Democrats Republicans Democrats (45 or 87%) (29 or 64%) (7 or 13%) (16 or 36%) **(2)** (0)Gregg-2 Abraham Hutchison Akaka Kerry Bunning Boxer Kohl Campbell Byrd McCain-2 Allard Inhofe Baucus Ashcroft Jeffords Bayh Landrieu Collins Cleland Bennett Kv1 Biden Lautenberg Helms Conrad Bond Lott Bingaman Leahy Smith, Bob Dorgan Brownback Lugar Breaux Lieberman Snowe Edwards Thurmond Burns Mack Bryan Lincoln Feingold Daschle Mikulski Cochran McConnell Hollings Moynihan Murkowski Inouve Coverdell Dodd Craig Nickles Durbin Murray Kennedy Roberts Feinstein Robb Levin Crapo DeWine Roth Graham Rockefeller Reed Domenici Santorum Harkin Schumer Reid Sarbanes Enzi Sessions Johnson Wyden **EXPLANATION OF ABSENCE:** Fitzgerald Shelby Kerrey Torricelli Smith, Gordon Wellstone Frist 1—Official Business Gorton Specter 2-Necessarily Absent Gramm Stevens 3-Illness Thomas Grams 4-Other Grassley Thompson Hagel Voinovich SYMBOLS: Hatch Warner AY-Announced Yea Hutchinson AN-Announced Nay PY-Paired Yea

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opposed that action because we wish to get this urgently needed bill, which has broad, bipartisan support, passed as quickly as possible in order to give the President a free-trade bill that he can bring to the upcoming World Trade Organization ministerial meeting in Seattle. The United States desperately needs to pass such a bill in order to demonstrate the United States' continued commitment to free trade. If we did not bar nonrelevant amendments we could easily weigh this legislation down with controversial amendments that would kill it, or, because we are at the end of the session, we could easily end up with too little time to pass it before sine die adjournment. Thankfully, our Democratic colleagues have negotiated with us in good faith, and we have reached a gentlemen's agreement that has given us enough room to move forward. The gentleman's agreement is that we will consider the bankruptcy bill this session and will let each side offer a certain number of nonrelevant amendments. That procedure will give both sides a chance to consider issues of importance to them before the end of this session. We expect that we will be able to reach a unanimous consent agreement soon that will dictate exactly how we will structure debate on the bankruptcy bill.

Not all opposition to this bill has disappeared. Some Democrats are opposed because they oppose the bill on its substance, and some Republicans oppose it on substance as well. Thankfully, though, there are not enough such Senators to prevent cloture from being invoked. We expect that we will soon be able to pass this needed trade bill.

Argument 2:

We are pleased that our colleagues have agreed in principle to allow us to offer a set number of nonrelevant amendments to the bankruptcy bill, which the Senate will soon consider. The right of Members to offer amendments on any subject must be jealously protected in order to preserve the unique character of the Senate. Now that our Republican colleagues have agreed with us, in principle, to come to an agreement that will allow us to offer nonrelevant amendments on the bankruptcy bill, we will support cloture on this trade bill.

Those opposing cloture contended:

We do not know what it will take to wake our colleagues from their free-trade stupor. Recent so-called "free trade" bills have had disastrous results. For instance, the North American Free Trade Agreement (NAFTA) has cost tens of thousands of Americans their jobs and has resulted in large trade deficits with Mexico. Mexican workers have suffered as well; disparities in income have widened in Mexico even as billions of American dollars have flowed south of the border. Free trade seems only to benefit wealthy interests in trading countries. The rich get richer and the poor get poorer. Free trade is lawless trade because there are no effective means of enforcing labor or environmental standards, or any other type of standards for that matter. Any country that tries to enforce its labor and environmental laws instantly finds itself at a competitive disadvantage with other countries that do not, because businesses quickly relocate to the countries where laws are ignored or weak. It is no accident that real wages have been falling in those developing countries that have been expanding their trade with the United States, and it is no accident that the countries that have led the race to the bottom have had the largest increase in exports to the United States.

Predictably, the jobs that are fleeing America the fastest are high-paying manufacturing jobs. Jobs that actually produce something—a tangible, physical product—are becoming scarce in the United States. In their place, America is going to much lower paying "service" jobs. The United States recently hit an inauspicious milestone—Walmart surpassed General Motors as the largest employer. The average hourly wage at General Motors is \$19 per hour, and with benefits included its value is \$44 per hour. In contrast, Walmart's average hourly wage is just \$7, and with benefits it tops out at \$10. We concede that some service jobs pay more, but those that do are not typically for positions that require large capital investments. Instead, they require brainpower. For a large percentage of those jobs already, particularly in the computer industry, the United States does not have enough Americans qualified to fill the positions, and foreign nationals are being actively recruited. The United States has no guarantee that it will forever be able to serve as a magnet for qualified personnel for such high-paying service jobs; qualified foreign workers may eventually decide to remain in their home countries, especially as those countries become more developed. The United States will then be left with a shattered industrial basis and a populace largely unqualified to fill the few service-sector jobs that pay well. England followed exactly this same path. At the top of that stagnant nation there are a few wealthy elite who compete internationally in such areas as insurance, but they are the lucky few.

The bill before us has two broad trade agreements in it that will open up the United States' markets to Africa and to Caribbean nations on terms that are even worse than were negotiated under NAFTA. NAFTA at least had agreements on labor, the environment, and reciprocity. This bill, though, will just throw up the doors to let foreign products in and American jobs out. We will not join in this continued destruction of the American industrial base. We urge our colleagues to oppose cloture.